

“(B) for a shorter period if the Commission determines that the EDGAR system (i) is reliable, (ii) provides a suitable alternative to such written and printed filings, and (iii) assures that the provision of information through the EDGAR system is as effective and efficient for filers, users, and disseminators as provision of such information in written or printed form.”

Subsec. (e). Pub. L. 105-353, § 202(1), struck out subsec. (e) which read as follows: “For the purposes of carrying out its responsibilities under subsection (d)(3) of this section, the Commission shall consult with representatives of persons filing, disseminating, and using information contained in filings with the Commission.”

§ 78mm. General exemptive authority

(a) Authority

(1) In general

Except as provided in subsection (b) of this section, but notwithstanding any other provision of this chapter, the Commission, by rule, regulation, or order, may conditionally or unconditionally exempt any person, security, or transaction, or any class or classes of persons, securities, or transactions, from any provision or provisions of this chapter or of any rule or regulation thereunder, to the extent that such exemption is necessary or appropriate in the public interest, and is consistent with the protection of investors.

(2) Procedures

The Commission shall, by rule or regulation, determine the procedures under which an exemptive order under this section shall be granted and may, in its sole discretion, decline to entertain any application for an order of exemption under this section.

(b) Limitation

The Commission may not, under this section, exempt any person, security, or transaction, or any class or classes of persons, securities, or transactions from section 78o-5 of this title or the rules or regulations issued thereunder or (for purposes of section 78o-5 of this title and the rules and regulations issued thereunder) from any definition in paragraph (42), (43), (44), or (45) of section 78c(a) of this title.

(June 6, 1934, ch. 404, title I, § 36, as added Pub. L. 104-290, title I, § 105(b), Oct. 11, 1996, 110 Stat. 3424.)

REFERENCES IN TEXT

This chapter, referred to in subsec. (a)(1), was in the original “this title”. See References in Text note set out under section 78a of this title.

CHAPTER 2B-1—SECURITIES INVESTOR PROTECTION

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78aaa.	Short title.
78bbb.	Application of Securities Exchange Act of 1934.
78ccc.	Securities Investor Protection Corporation. <ul style="list-style-type: none"> (a) Creation and membership. (b) Powers. (c) Board of Directors. (d) Meetings of Board. (e) Bylaws and rules.
78ddd.	SIPC Fund. <ul style="list-style-type: none"> (a) In general. (b) Initial required balance for fund.

Sec.	<ul style="list-style-type: none"> (c) Assessments. (d) Requirements respecting assessments and lines of credit. (e) Prior trusts; overpayments and underpayments. (f) Borrowing authority. (g) SEC loans to SIPC. (h) SEC notes issued to Treasury. (i) Consolidated group.
78eee.	Protection of customers. <ul style="list-style-type: none"> (a) Determination of need of protection. (b) Court action. (c) SEC participation in proceedings. (d) SIPC participation.
78fff.	General provisions of a liquidation proceeding. <ul style="list-style-type: none"> (a) Purposes. (b) Application of title 11. (c) Determination of customer status. (d) Apportionment. (e) Costs and expenses of administration.
78fff-1.	Powers and duties of a trustee. <ul style="list-style-type: none"> (a) Trustee powers. (b) Trustee duties. (c) Reports by trustee to court. (d) Investigations.
78fff-2.	Special provisions of a liquidation proceeding. <ul style="list-style-type: none"> (a) Notice and claims. (b) Payments to customers. (c) Customer related property. (d) Purchase of securities. (e) Closeouts. (f) Transfer of customer accounts.
78fff-3.	SIPC advances. <ul style="list-style-type: none"> (a) Advances for customers' claims. (b) Other advances. (c) Discretionary advances.
78fff-4.	Direct payment procedure. <ul style="list-style-type: none"> (a) Determination regarding direct payments. (b) Notice. (c) Payments to customers. (d) Effect on claims. (e) Jurisdiction of Bankruptcy Courts. (f) Discontinuance of direct payment procedures. (g) References.
78ggg.	SEC functions. <ul style="list-style-type: none"> (a) Administrative procedure. (b) Enforcement of actions. (c) Examinations and reports.
78hhh.	Examining authority functions.
78iii.	Functions of self-regulatory organizations. <ul style="list-style-type: none"> (a) Collection agent. (b) Immunity. (c) Inspections. (d) Reports. (e) Consultation. (f) Financial condition of members.
78jjj.	Prohibited acts. <ul style="list-style-type: none"> (a) Failure to pay assessment, etc. (b) Engaging in business after appointment of trustee or initiation of direct payment procedure. (c) Concealment of assets; false statements or claims.
78kkk.	Miscellaneous provisions. <ul style="list-style-type: none"> (a) Public inspection of reports. (b) Liability of members of SIPC. (c) Liability of SIPC and Directors, officers, or employees. (d) Advertising. (e) SIPC exempt from taxation. (f) Section 78t(a) of this title not to apply. (g) SEC study of unsafe or unsound practices.
78lll.	Definitions.

CHAPTER REFERRED TO IN OTHER SECTIONS

This chapter is referred to in section 78c of this title; title 7 section 12a; title 11 sections 555, 559, 742.

§ 78aaa. Short title

This chapter may be cited as the “Securities Investor Protection Act of 1970”.

(Pub. L. 91–598, §1(a), Dec. 30, 1970, 84 Stat. 1636.)

REFERENCES IN TEXT

This chapter, referred to in text, was in the original “This Act”, meaning Pub. L. 91–598, Dec. 30, 1970, 84 Stat. 1636. For complete classification of this Act to the Code, see Tables.

SHORT TITLE OF 1978 AMENDMENT

Pub. L. 95–283, §1, May 21, 1978, 92 Stat. 249, provided that: “This Act [enacting sections 78fff–1 to 78fff–4 of this title, amending sections 77c, 78c, 78k, and 78ccc to 78lll of this title and enacting provisions set out as a note under section 78k of this title] may be cited as the ‘Securities Investor Protection Act Amendments of 1978.’”

§ 78bbb. Application of Securities Exchange Act of 1934

Except as otherwise provided in this chapter, the provisions of the Securities Exchange Act of 1934 [15 U.S.C. 78a et seq.] (hereinafter referred to as the “1934 Act”) apply as if this chapter constituted an amendment to, and was included as a section of, such Act.

(Pub. L. 91–598, §2, Dec. 30, 1970, 84 Stat. 1637.)

REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 91–598, Dec. 30, 1970, 84 Stat. 1636. For complete classification of this Act to the Code, see Tables.

The Securities Exchange Act of 1934, referred to in text, is act June 6, 1934, ch. 404, 48 Stat. 881, as amended, which is classified generally to chapter 2B (§78a et seq.) of this title. For complete classification of this Act to the Code, see section 78a of this title and Tables.

§ 78ccc. Securities Investor Protection Corporation**(a) Creation and membership****(1) Creation**

There is hereby established a body corporate to be known as the “Securities Investor Protection Corporation” (hereafter in this chapter referred to as “SIPC”). SIPC shall be a nonprofit corporation and shall have succession until dissolved by Act of the Congress. SIPC shall—

(A) not be an agency or establishment of the United States Government; and

(B) except as otherwise provided in this chapter, be subject to, and have all the powers conferred upon a nonprofit corporation by, the District of Columbia Nonprofit Corporation Act.

(2) Membership**(A) Members of SIPC**

SIPC shall be a membership corporation the members of which shall be all persons registered as brokers or dealers under section 78o(b) of this title, other than—

(i) persons whose principal business, in the determination of SIPC, taking into ac-

count business of affiliated entities, is conducted outside the United States and its territories and possessions;

(ii) persons whose business as a broker or dealer consists exclusively of (I) the distribution of shares of registered open end investment companies or unit investment trusts, (II) the sale of variable annuities, (III) the business of insurance, or (IV) the business of rendering investment advisory services to one or more registered investment companies or insurance company separate accounts; and

(iii) persons who are registered as a broker or dealer pursuant to section 78o(b)(11)(A) of this title.

(B) Commission review

SIPC shall file with the Commission a copy of any determination made pursuant to subparagraph (A)(i). Within thirty days after the date of such filing, or within such longer period as the Commission may designate of not more than ninety days after such date if it finds such longer period to be appropriate and publishes its reasons for so finding, the Commission shall, consistent with the public interest and the purposes of this chapter, affirm, reverse, or amend any such determination of SIPC.

(C) Additional members

SIPC shall provide by rule that persons excluded from membership in SIPC under subparagraph (A)(i) may become members of SIPC under such conditions and upon such terms as SIPC shall require by rule, taking into account such matters as the availability of assets and the ability to conduct a liquidation if necessary.

(D) Disclosure

Any broker or dealer excluded from membership in SIPC under subparagraph (A)(i) shall, as required by the Commission by rule, make disclosures of its exclusion and other relevant information to the customers of such broker or dealer who are living in the United States or its territories and possessions.

(b) Powers

In addition to the powers granted to SIPC elsewhere in this chapter, SIPC shall have the power—

(1) to sue and be sued, complain and defend, in its corporate name and through its own counsel, in any State, Federal, or other court;

(2) to adopt, alter, and use a corporate seal, which shall be judicially noticed;

(3) to adopt, amend, and repeal, by its Board of Directors, such bylaws as may be necessary or appropriate to carry out the purposes of this chapter, including bylaws relating to—

(A) the conduct of its business; and

(B) the indemnity of its directors, officers, and employees (including any such person acting as trustee or otherwise in connection with a liquidation proceeding) for liabilities and expenses actually and reasonably incurred by any such person in connection with the defense or settlement of an action